

MOTOR FUEL DISTRIBUTOR TAX REPORTING INSTRUCTIONS

Gasoline, as defined under 30 Del C c. 51 Section 5101(4), includes all product commonly or commercially known or sold as gasoline, including gasahol, casinghead gasoline, natural gasoline and aviation gasoline... for the purpose of effectively and efficiently operating spark-ignited internal combustion engines.

Complete the top portion of the tax return by entering name of licensee, license number, address, report month, and Federal Employer Identification Number or Social Security Number in the spaces provided. All requested information must be reported.

Line A -Show the number of gallons of tax-free gasoline on hand in your Delaware bulk storage tanks at the beginning of the reporting month. This includes gallons which are being transported to customers, but delivery and title change have not taken place (in transit). Opening inventory **must** agree with the actual ending inventory (Line C) reported for the previous month.

For Lines 1-4 below, you must complete the Motor Fuel Tax Multiple Schedule of Receipts, and enter summary totals for each schedule on the applicable line on the tax return. Please follow the receipt instruction sheet provided. On each Multiple Schedule of Receipts form, you must report monthly receipt gallon totals, broken down on a per-supplier basis, and further broken down by method of transport. All requested information must be reported.

Line 1 - **Motor Fuel Gallons Received Tax Paid:** Identify all gallons of gasoline purchased with the Delaware tax included from a source of supply during the reporting month.

Line 2 - **Motor Fuel Gallons From Locations Within Delaware From Licensed Motor Fuel Distributors Tax Unpaid:** Identify all gallons of gasoline purchased tax-free within Delaware from other licensed Delaware Distributors. Record each license number in Column 6 of Multiple Schedule of Receipts.

Line 3 - **Motor Fuel Gallons Imported From another State Direct to Customers:** Identify all gallons of gasoline purchased tax free from locations outside of Delaware, transported into Delaware, and delivered directly to customers within Delaware..

Line 4 - **Motor Fuel Gallons Imported From Another State Into Tax-Free Storage:** Identify all gallons of gasoline purchased tax free from locations outside of Delaware, transported into Delaware, and delivered directly to your bulk storage locations.

Line B - Add line A and lines 1 through 4.

Line C - Enter the actual inventory on hand at the end of the reporting month. This includes gallons which are being transported to customers, but delivery and title change have not taken place (in transit).

Line D - Subtract closing inventory (Line C) from Line B total to arrive at the gallons that must be accounted for during the report month.

For Lines 5-10, 15 and 19 below, you must complete the Motor Fuel Tax Multiple Schedule of Disbursements, and enter summary totals for each schedule on the applicable line on the tax return. Please follow the disbursement instruction sheet provided. On each Multiple Schedule of Disbursements form, you must report monthly disbursement gallon totals, broken down on a per-customer basis, and further broken down by method of transport. All requested information must be reported.

Line 5 - **Motor Fuel Gallons Delivered Tax Collected:** Identify all gallons used, and/or sold to customers during the month with the Delaware excise tax included. For sales to Retail Stations, please enter total delivered gross gallons sold on a per-station basis, and record each station's Retail Dealer license number in Column 6 of the Multiple Schedule of Disbursements.

Line 6 - **Motor Fuel Gallons Delivered to Motor Fuel Distributors Tax Not Collected:** Identify all gallons sold tax free to holders of valid State of Delaware Motor Fuel Distributor licenses; record each license number in Column 6 of the Multiple Schedule of Disbursements.

Line 7 - **Motor Fuel Gallons Exported:** Identify total gallons transported by you and/or your Common Carrier to locations outside of Delaware. You must complete a separate schedule for each state, and place the combined total on Line 7.

Line 8 - **Tax Exempt Motor Fuel Gallons Sold to U.S. Government:** Identify tax-free bulk sales of gasoline made to U.S. Government customers located in Delaware that hold valid Exemption Certificates with the Motor Fuel Tax Administration. You must record the Exempt Certificate number in Column 6 of the Multiple Schedule of Disbursements.

Line 9 - **Tax Exempt Motor Fuel Gallons Sold To Other Exempt Government Entities:** Identify tax-free bulk deliveries of gasoline made to State, local and other Government customers located in Delaware that hold valid Exemption Certificates with the Motor Fuel Tax Administration. You must record the Exempt Certificate number in Column 6 of the Multiple Schedule of Disbursements.

Line 10 **Tax Exempt Motor Fuel Gallons Sold To Other Exempt Entities:** Identify tax-free bulk deliveries of gasoline made to volunteer fire company and ambulance operators located in Delaware and granted exemption status by the Motor Fuel Tax Administration, and that hold valid Exemption Certificates with the Motor Fuel Tax Administration. You must record the Exempt Certificate number in Column 6 of the Multiple Schedule of Disbursements.

Line 11 **Gain/Loss:** Record tax-free gasoline bulk storage gains or losses only on this line.

Line 12 Add lines 5 through 11. This figure must equal Line D.

Line 13 Record the taxed distribution from line 5 into the "Gallons" column, multiply by the Delaware Motor fuel excise tax rate of \$0.23, and record the resulting dollar total into the "Amount" column.

Line 14 Record the tax-paid receipt total from line 1 into the "Gallons" column, multiply by the Delaware Motor Fuel excise tax rate of \$0.23, and record the resulting dollar total into the "Amount" column.

Line 15 **Credit Card Sales to Authorized Exempt Entities:** Motor Fuel Distributors may deduct gallons of gasoline sold via Credit Cards to authorized exempt entities, through retail outlets owned/operated or supplied by them. In order to claim the deduction, you must have a Delaware Motor Fuel Tax Exemption Certificate on file for each exempt entity. You must complete the Motor Fuel Tax Multiple Schedule of Disbursements, Schedule 11, and enter the summary total for this schedule on Line 15, into the "Gallons" column. Multiply by the Delaware Motor Fuel excise tax rate of \$0.23, and record the resulting dollar total into the "Amount" column.

Line 16 Subtract Lines 14 and 15 from line 13, and record the resulting gallons and dollar amounts on Line 16.

Line 17 Record estimated tax payments required in the Month of June (only affects Distributors with average monthly sales/use of 500,000 or more gallons during the period May 1 through April 30 of each year).

Line 18 Subtract Line 17 from Line 16, and record the resulting gallons and amounts on Line 18.

Line 19 If adjustments of prior month reports result in changes to tax liability, record the adjustment gallons as appropriate (with credit gallons in brackets) Multiply the gallon amount by the Delaware Motor Fuel excise tax rate of \$0.23, and record the resulting dollar total into the "Amount" column. A Schedule 12 must be attached as supporting detail for the adjustment.

Line 20 Add line 18 to Line 19 (or if credit, subtract Line 19 from Line 18), and enter the resulting gallons and amounts on Line 20.

NOTE: Any licensed motor fuel (gasoline) or special fuel account that has a combined monthly tax liability exceeding \$20,000 must remit tax payment via Electronic Funds Transfer (EFT). Please call the Motor Fuel Tax Administration at (302) 744-2726 should you need further instructions regarding EFT.

Please call the Motor Fuel Tax Administration at (302)744-2710 should you have questions regarding the rest of the instructions.